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No. 91-1002

Supreme Court, U.S.

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IN THE
Supreme Court of the United States

OCTOBER TERM, 1991

YOUNG & RUBICAM INC.,

Petitioner/Cross-Respondent,

—v.—

BETTE MIDLER,

Respondent/Cross-Petitioner.

PETITION FOR A WRIT OF CERTIORARI
TO THE UNITED STATES COURT OF APPEALS
FOR THE NINTH CIRCUIT

**REPLY BRIEF OF PETITIONER/CROSS-
RESPONDENT IN SUPPORT OF THE PETITION**

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IN THE
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YOUNG & RUBICAM INC.,

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Respondent.

PETITIONER'S REPLY BRIEF IN SUPPORT
OF PETITION FOR A WRIT OF CERTORARI

REASONS FOR GRANTING THE WRIT

The tort of misappropriation of voice
outlined by the Ninth Circuit creates

liability under state law for conduct expressly permitted by Section 114(b) of the Copyright Act and enervates the intended preemptive effect of Section 301 of the Copyright Act. The opinion of the Ninth Circuit creates confusion as to the scope and reach of that statutory scheme and raises serious issues worthy of this Court's review.

STATEMENT OF THE CASE

In its Opposition to Young & Rubicam's petition for certiorari, ("Opposition") Midler claims various purported "omissions" and inaccuracies in Young & Rubicam's statement of the case. Young & Rubicam believes its statement of the case faithfully chronicled the events leading up to its petition for certiorari, and

respectfully submits that an examination of the opinions in the appendix to the petition bears out Young & Rubicam's version of the events.

POINT I

THE ISSUE OF COPYRIGHT PREEMPTION
IS BEFORE THIS COURT

Midler claims that Young & Rubicam failed to preserve the issue currently on appeal by failing to immediately appeal the District Court's grant of partial summary judgement to Midler on Young & Rubicam's affirmative defense of copyright preemption on February 8, 1989. Alternatively, Midler claims that the issue of copyright preemption was ripe for review following the Ninth Circuits' opinion and remand in Midler v. Ford Motor Company, 849 F.2d 460 (9th Cir. 1988), ("Midler I" and the

Supreme Court should not, as a matter of judicial economy, consider this issue now. Neither of these contentions has merit.

First, Young & Rubicam was not required to appeal the grant of partial summary judgement on its affirmative defense of copyright preemption, because to appeal at that point in the proceeding would have been futile and in complete contravention of the settled principles of the legal doctrine of "the law of the case". See In re Sanford Fork and Tool Co., 160 U.S. 247 (1895).

In Midler I the Ninth Circuit reversed the District Court's grant of summary judgement, created the new tort of misappropriation of voice, stated that this new tort was not preempted by Section 301

of Copyright Act of 1976, and remanded the case for further proceedings. (App. at A44-48)¹. Following this opinion, Young & Rubicam petitioned the Ninth Circuit for rehearing en banc, which petition was denied. (App. at A68). On remand, the trial court, bound by the Court of Appeals opinion in Midler I, granted Midler's motion for summary judgement on Young & Rubicam's affirmative defense of copyright preemption, holding that "as a matter of law...that cause of action is not preempted by copyright law". (App. at A32). Appealing the grant of summary judgement at

¹Citations to the Appendix to Young & Rubicam's Petition for Certiorari are in the form (App. at A__). Citations to the Supplemental Excerpt of Record before the Ninth Circuit in Midler II are in the form (S.E.R. at __).

that point would have meant asking the Court of Appeals to rule that the trial court erred in following its mandate. In re Sanford Fork & Tool Co., 160 U.S. 247, 255 (1895); Litman v. Massachusetts's Mut. Life Ins. Co., 825 F.2d 1506, 1508 (11th Cir. 1987) (en banc) (on appeal, absent Supreme Court decision to the contrary, trial court is bound by the opinion of the Court of Appeals). Young & Rubicam submits this patently unnecessary step was not necessary to preserve jurisdiction. Young & Rubicam raised the issue of copyright preemption in its cross motion for directed verdict, and the Court of Appeals declined to reverse its opinion, stating that its prior opinion

was the law of the case.² (App. at A13).

Second, Young & Rubicam did not somehow lose the right to appeal the issue of copyright preemption to the Supreme Court by proceeding with the trial on remand and waiting for a final decision on the merits³. In fact, Young & Rubicam could have petitioned this Court for

² Midler's argument would also suggest the Ninth Circuit erred when it addressed the issue of copyright preemption in Midler II.

³ Midler argues that it would have been in the interest of judicial economy for Young & Rubicam to have petitioned to the Supreme Court following Midler I. However, given the completely new nature of this tort, and Young & Rubicam's uncertainty as to its scope, Young & Rubicam chose to proceed with the trial upon remand. Having determined that the tort as outlined did, in fact, impose liability for conduct expressly permitted by the Copyright Act, Young & Rubicam determined to petition this court for review.

certiorari following Midler I and, if that petition had been denied, petitioned the court again following the trial and appeal. See Hamilton Brown Shoe Corp. v. Wolfe Brothers & Co., 240 U.S. 251 (1916).

POINT II

THE OPINION IN MIDLER I IS WORTHY OF THE COURT'S REVIEW

The opinion of the court in Midler I is worthy of this Court's review because it affects the rights and liabilities of numerous parties, as well as the administration of the Copyright Act. It is now clear, following remand and trial, that the opinion in Midler I permits the imposition of liability on a party for conduct expressly permitted by Section

114(b) of the Copyright Act.

Midler's contention that there are "no cases pending anywhere in the United States" which raise the potential conflict between the Copyright Act and common law rights recognized in Midler I is false. Since Midler I, cases have been filed based on the same or similar factual patterns, where professional singers have sought to impose liability for the imitation of either a performance of a sound recording, or their "style".⁴ In one proceeding

⁴ One example is William Levis a/k/a Mitch Ryder v. Lintas: New York, Molson Breweries and MacLaren:Lintas, Inc., and Martlet Importing Co., Inc., No. 90-70407 (E.D.Mi. 1990).

currently on appeal to the Ninth Circuit, Tom Waits v. Frito Lay and Tracey Locke, Inc., No.90-55981, the plaintiff was awarded 2.6 million dollars in damages for an imitation of a singer's voice and vocal "style" in a television commercial.

Following the opinion in Midler I, a copyright owner of a musical work recorded by a performer (who may make this recording by utilizing the compulsory license provision of Section 115 of the Copyright Act) is precluded from the full commercial exploitation of that work if the performer's version of the work becomes popular. If that version of the song becomes so popular as to become the "standard", it could preclude use of the song in advertising. There is no debate

that advertising is a significant source of revenue for composers and other copyright owners.

While Midler might claim that this is the correct result, the fact is that the performer has obtained rights to prevent the commercial exploitation of a version of the work which have no corollary in the Copyright Act. Performers may choose not to participate in advertising or pursue commercial endorsements. However, by separating the vocal component of a sound recording from all other elements, Midler I of necessity affects the rights of the copyright owner by giving the performer the ability to make a unilateral decision regarding the exploitation of a given sound recording. By circumventing the explicit

statutory limitations of Section 114(b), Midler I conflicts not only with the language of the Copyright Act but affects the rights of other parties under the Act.

POINT III

SECTION 114(B) DOES APPLY TO THE THE IMITATION OF THE SOUND RECORDING IN THE COMMERCIAL

Midler argues that Section 114(b) is not at issue in this case because Young & Rubicam was creating an audiovisual work and not "another sound recording". According to Midler, the right to imitate Midler's sound recording set forth in Section 114(b) extends only to the making or duplication of another sound recording.

However, both the language and the statutory history of Section 114(b) bely Midler's interpretation. The first two

sentences of Section 114(b) state:

"The exclusive right of the owner of copyright in a sound recording under clause (1) of section 106 is limited to the right to duplicate the sound recording in the form of phonorecords, or of copies of motion pictures and other audiovisual works, that directly or indirectly recapture the actual sounds fixed in the recording. The exclusive right of the owner of copyright in a sound recording under clause (2) of section 106 is limited to the right to prepare a derivative work in which the actual sounds fixed in the sound recording are rearranged, re-mixed, or otherwise altered in the sequence or quality."

Read in its entirety, Section 114(b) clearly provides that the copyright owner's exclusive right to duplicate a "sound recording in the form of phonorecords, or of copies of motion pictures and other audiovisual works," is limited to duplications that "directly or indirectly

capture the actual sounds fixed in the recording." There is no dispute that the commercial at issue did not duplicate the actual sounds fixed in Midler's "Do You Want To Dance" sound recording. Consequently, the making of the commercial was permitted under Section 114(b) of the Act. See also Notes of the Committee on the Judiciary, House Report No. 94-1476, quoted in 17 U.S.C.A. Section 114 at 187. ("Thus, infringement takes place whenever all or any substantial portion of the actual sounds that go to make up a copyrighted sound recording are reproduced in phonorecords by repressing, transcribing, recapturing off the air, or any other method, or by reproducing them in the sound track or audio portion of a

motion picture or other audiovisual work.").

In addition, if as plaintiff contends, Section 114(b) pronounces that exclusive rights of a copyright owner do encompass the right to make copies of a sound recording by imitating that sound recording in an audiovisual work, then defendant's use of an imitation of the "Do You Want To Dance" sound recording in a television commercial would constitute copyright infringement and would be a violation of the rights of the owner of the copyright in the recording. The owner of that copyright is the Atlantic Recording Corporation, not Midler. (S.E.R. at 50-52). Furthermore, the copyright infringement claim which Midler contends exists under Section 114(b)

would clearly preempt any tort claim based on the copying of the same sound recording.

POINT IV

THE OPINION IN MIDLER I IS IN CONFLICT
WITH THE BALTIMORE ORIOLES DECISION

Midler's reconciliation of Midler I with the opinion in Baltimore Orioles Inc. v. Major League Baseball Players Assoc., 805 F.2d 663 (7th Cir. 1986), cert. denied, 480 U.S. 941 (1987) merely glosses over the points at issue. In Baltimore Orioles, the Seventh Circuit held that once the players' performances were "fixed" in a tangible form, their state created rights of publicity in that performance were preempted.

In order to avoid the logical result of a finding that performer's rights in a sound recording were preempted once that recording is made, as were the baseball players' common law publicity rights in Baltimore Orioles, the Ninth Circuit in Midler I found that a voice could never be "fixed". This finding conflicts with Section 101 of the Copyright Act, which provides that: "a work is fixed in a tangible medium of expression when its embodiment in a copy or phonorecord by or under the authority of the author is sufficiently permanent or stable to permit it to be perceived, reproduced or otherwise communicated for a period of more than transitory duration." There is no basis for exempting the vocal components of the

recording from this definition. See Section 101. Also see Testimony of B. Ringer, Performance Rights in Sound Recordings: Hearings Before the Subcommittee of the Judiciary on Performance Rights in Sound Recordings, quoted in Young & Rubicam's Petition, at 30.

Midler also argues that "misappropriation of voice" should not be preempted under Section 301 and the Supreme Court's decision in Bonito Boats v. Thunder Craft Boats, 489 U.S. 141 (1989). Midler argues that, just as a party may object to an unauthorized reproduction of a photograph taken of them, Midler can object to an unauthorized rendition of Midler's version of "Do You Want To Dance". However, these arguments simply do not take into account

the exemption carved out in Section 114(b) of the Copyright Act.

If a party were to reproduce a photograph by arranging similar or identical objects in the same manner, the result would be copyright infringement, if the copyright owner could prove copying. See Gross v. Seligman, 212 Fed. 930 (2d Cir. 1914). However, due to Section 114(b), the same conduct is expressly permitted where the work in question is a second recording. Congress could choose to render these performances protected. However it has not, and the words of Section 114(b) must be given their logical meaning. In addition, Midler's argument ignores the fact that the only evidence of her voice presented at trial was her sound

recording, which was created under the compulsory licensing provisions in Section 115 of the Copyright Act. Any rights in the performance embodied in that sound recording must derive from the Copyright Act, and the Copyright Act explicitly permits this conduct.

CONCLUSION

For the reasons contained herein, and in its petition for writ of certiorari, Young & Rubicam respectfully requests that the court grant its petition for certiorari on the issues contained therein.

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